

**TENNESSEE GENERAL ASSEMBLY
FISCAL REVIEW COMMITTEE**



FISCAL NOTE

SB 1145 - HB 1591

March 21, 2011

SUMMARY OF BILL: Requires that any market comparisons used by an independent appraiser in determining the fair market value of a medical practice subject to repurchase be commercially reasonable.

ESTIMATED FISCAL IMPACT:

NOT SIGNIFICANT

Assumptions:

- Currently, if a buy back provision included in a medical practice sale agreement is dependent upon a determination of the fair market value of the medical practice and the parties cannot agree to the fair market value, an independent appraisal is to be conducted.
- According to the Department of Health, an independent appraiser has an existing responsibility to use market comparisons that are commercially reasonable. As a result, the proposed legislation will not have a significant administrative, regulatory, or fiscal impact on the Department.

CERTIFICATION:

The information contained herein is true and correct to the best of my knowledge.

A handwritten signature in blue ink, reading "James W. White".

James W. White, Executive Director

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